

New FINMA Ordinance on the Risk Diversification of Banks and Securities Firms

Key Points

3 July 2025

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1. The Banking Act, the Banking Ordinance and the Capital Adequacy Ordinance impose requirements on banks and (account-holding) securities firms concerning capital adequacy and risk diversification.
2. As a result of the review of format compliance, the content of FINMA Circulars 2013/7 “Limits on intra-group positions – banks” and 2019/1 “Risk diversification – banks” is to be transferred to a new FINMA Ordinance on the Risk Diversification of Banks and Securities Firms (RDO-FINMA).
3. The new FINMA Ordinance is intended to regulate risk diversification requirements in accordance with the implementing provisions delegated to FINMA in Title 4 of the Capital Adequacy Ordinance, in particular with regard to relationships or dependencies between counterparties, the upper limit for intra-group exposures to group entities abroad, the calculation of certain trading book positions, the risk mitigation and the relaxations for banks in categories 3, 4 and 5 according to Annex 3 of the Banking Ordinance. The new FINMA Ordinance also contains selective adjustments as a result of the final Basel minimum standards, which came into force on 1 January 2025.
4. The transfer of the content of the two circulars to a FINMA Ordinance is not generally expected to have any significant impact on supervised institutions.
5. FINMA Circulars 13/7 and 19/1 will be repealed when the FINMA Ordinance enters into force on 1 January 2027.